



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate was 3.7 percent in December 2003 for the Magic Valley Labor Market Area (LMA) as seen on Magic Valley Table 1. This is three-tenths of a percentage point lower than November 2003, and five-tenths of a percentage point lower than December 2002. Year-over-year *Civilian Labor Force* increased by 5,270 workers or 10.4 percent, whereas actual numbers of unemployed workers dropped by 90, or decreased by 4.2 percent. This is significant because in other parts of the state, workers have become discouraged and dropped out of the *Civilian Labor Force* as their unemployment benefits ran out and prospects were limited. The opposite seems to be happening in the Magic Valley LMA. Workers are optimistic as new jobs are being created, and prospects for employment are excellent.

Nonfarm Payroll Jobs increased by 4,510 year-over year, a jump of 11.2 percent. Most jobs that were created were in the service and retail sectors, but there was also significant expansion in *Construction*. The City of Twin Falls shattered the previous year's number of new housing starts, which boosted construction jobs in the fall and bodes well for the first part of 2004. There were also many heavy construction projects in Twin Falls with new stores built on the canyon rim and the continuing construction on the new Renaissance Park on North College Road.

Sectors that showed large increases were *Construction* and *Retail* at 18.5 percent and 6.3 percent, respectively. *Food Manufacturing* and *Wood Product Manufacturing* sectors declined 4.6 percent and 17.1 percent, respectively. *Wood Product Manufacturing* employers tended to not replace employees that

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding Counties

	Dec 2003*	Nov 2003	Dec 2002	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	55,870	55,700	50,600	0.3	10.4
Unemployment	2,060	2,210	2,150	-6.8	-4.2
% of Labor Force Unemployed	3.7	4.0	4.2		
Total Employment	53,810	53,490	48,450	0.6	11.1
<i>Unadjusted</i>					
Civilian Labor Force	55,850	55,940	50,770	-0.2	10.0
Unemployment	2,240	2,110	1,990	6.2	12.6
% of Labor Force Unemployed	4.0	3.8	3.9		
Total Employment	53,610	53,830	48,780	-0.4	9.9
JOB BY PLACE OF WORK					
Nonfarm Payroll Jobs**	44,920	43,860	40,410	2.4	11.2
<i>Goods-Providing Industries</i>	7,760	7,730	7,850	0.4	-1.1
Natural Resources & Mining	20	20	20	0.0	0.0
Construction	2,630	2,410	2,220	9.1	18.5
Manufacturing	5,110	5,300	5,610	-3.6	-8.9
Food Manufacturing	3,510	3,440	3,680	2.0	-4.6
Other Manufacturing	1,600	1,860	1,930	-14.0	-17.1
<i>Service-Providing Industries</i>	37,160	36,130	32,560	2.9	14.1
Trade, Transportation & Utilities	9,950	10,170	9,830	-2.2	1.2
Wholesale Trade	1,940	1,870	1,850	3.7	4.9
Retail Trade	6,200	6,310	5,830	-1.7	6.3
Utilities	270	250	210	8.0	28.6
Transportation & Warehousing	1,540	1,740	1,940	-11.5	-20.6
Information	490	500	500	-2.0	-2.0
Financial Activities	1,790	1,740	1,680	2.9	6.5
Professional & Business Services	7,130	6,410	5,170	11.2	37.9
Educational & Health Services	3,820	3,660	3,070	4.4	24.4
Leisure & Hospitality	3,830	3,620	3,660	5.8	4.6
Other Services	1,500	1,520	1,490	-1.3	0.7
Government Education	4,060	4,000	3,030	1.5	34.0
Government Administration	4,590	4,510	4,130	1.8	11.1

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

were lost to attrition, which kept workforces a little lower. *Food Processing* employment was lower as many companies experienced some attrition and also hired seasonal help later than usual.

For all of 2003, the Magic Valley LMA economy continued to markedly resist recessionary economic trends that still plagued much of the state and the nation. Signs of recovery are present now in state and national economies, and the Magic Valley is well poised to be a state leader. However, it is expected that the Magic Valley will experience a stabilization period and will perhaps see some small increases in unemployment as the economy adjusts after precipitous growth. Significant new job creation is not expected, but the positive trend should remain. One area of concern is that many of the newly created service and retail sector jobs are relatively low paying and lack benefits. This contributes



EMPLOYMENT SURVEY RESULTS REPORTED

Education is most important to employers who are hiring people for occupations where licensing and certification are required, but when a worker is being considered for a promotion, interpersonal skills are deemed the most important, according to results of an employee survey of South Central Idaho employers released in January, **Employer Survey: Assessing Applicant Characteristics.**

For semi-skilled and unskilled labor positions, employers considered interpersonal skills to be most important when recruiting new employees and for determining promotions. Greg Rogers, the Magic Valley regional labor

economist for the Idaho Department of Labor, conducted, analyzed, and presented the result of this large survey project to the South Central Idaho Works! Board. The project, funded by a grant in partnership with the College of Southern Idaho, the Idaho Department of Labor, and the South Central Idaho Works! Board, was aimed at determining the type of training and characteristics employers want in new hires and in those workers considered for promotion. Out of 995 surveys sent to every type of business in South Central Idaho, more than 300 were returned from every county in the region. Eight different employment sectors were represented by the survey. To see the report on-line, go to www.jobservice.ws, click on "Area LMI" and select South Central Idaho.

to some socioeconomic challenges and many families must have more than one worker in the family or family members must work multiple jobs. Concerns in the agriculture sector include the closure of the J.R. Simplot Plant in Heyburn, which has increased the possibility that fewer potato contracts will be available for farmers. The discovery of mad cow disease in the Northwest has thrown the U.S. beef market into decline as exports have dried up and consumers have been cautious about eating red meat. On the other hand, this could be beneficial to the pork, lamb, and trout markets. Also on the positive side is that the water year appears to be adequate for irrigation in 2004 in South Central Idaho.

AREA DEVELOPMENTS

Twin Falls County

- Several business and civic leaders from across the Magic Valley attended a Director's Forum at the Herrett's Center of the College of Southern Idaho in early February, led by Roger Madsen, Director of the Idaho Department of Labor and Interim Director of the Idaho Department of Commerce. In addition to praising the positive achievements of South Central Idaho in both unemployment rate and job growth, Madsen also outlined the merger of the Idaho Departments of Labor and Commerce. This was followed by a question and answer session involving shared ideas and thoughts among the private sector and public employee participants. The Magic Valley regional labor economist and the Mini-Cassia and Magic Valley Job Services management teams also attended. This forum is one of several Directors Forums Madsen is presenting across the state.

- Madsen also was one of the featured speakers at the D.L. Evans Economic Symposium in Jerome in early February. Madsen complimented the bank for 100 years of tremendous integrity and customer service, giving credit to former Governor John Evans for his contribution to the state of Idaho and his family's outstanding leadership of D. L. Evans Bank. In addition, Madsen pledged support for business from the Idaho Departments of Commerce and Labor for the Magic Valley continued economic strength.
- The City of Twin Falls will soon be changing the names of many downtown streets to alleviate confusion. The downtown's numbered streets and avenues have been difficult for people to find and many directional designations (north, south, east, and west) do not seem to correspond to true compass directions in some cases. The new street names will reflect the names of local small cities located close to Twin Falls. The new signage is expected to be complete by April 1, 2004

Blaine, Camas, Gooding, Jerome, and Lincoln Counties

- Blockbuster Video opened a new store at 111 North Main Street in Hailey in early December. The store is open from 10:00 a.m. to midnight seven days a week, and offers three-evening and five-evening rentals as well as a frequent rental program called "Rewards." Blockbuster hired a store manager and 14 associates from the Hailey area.
- Optician Tom McDonough of Jerome opened Lifetime Optical, a new optical center, on the cor-

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in Coeur d'Alene where it employs about 50 people. In late 2003, Spokane International Airport offered to build a new aircraft maintenance facility for Empire Airlines. If Empire accepted the offer, it would have moved its corporate headquarters from Government Way in Coeur d'Alene to the Spokane airport. Jobs Plus and the Panhandle Area Council put together a \$3.2 million incentive package that convinced Empire to choose Idaho. Kootenai County will build a new hangar at the Coeur d'Alene Airport to house Empire's maintenance operations that will employ about 40 people. When the hangar is completed in August, a 12,000-square-foot office building will be built at the airport to house Empire's corporate headquarters. Empire will keep 12 workers in Spokane to do light maintenance. Aircraft requiring more extensive work will be ferried to the Coeur d'Alene airport. The Empire move has the potential to add 35 to 40 jobs, as well as help develop Coeur d'Alene Airport and make it more likely to attract other businesses. A major airport expansion planned for this summer includes construction of a north taxiway, allowing the opening of new hangars and businesses.

Shoshone County

- Formation Capital Corp., based in Vancouver, British Columbia, recently announced plans to reopen the hydrometallurgical refinery at the

Sunshine Mine at Big Creek by this summer. The refinery will refine copper/cobalt concentrates from the company's Idaho Cobalt Project near Salmon, as well as custom refining of gold and silver. Initially, the refinery will employ about 14 people. Employment could rise to 30 people when the refinery reaches full capacity.

- Hecla Mining's Lucky Friday mine near Mullan has major plans for expansion and exploration over the next two years, as mentioned in the January edition of *Idaho Employment*. Those plans already are affecting the mine's employment. It hired six new people in December and seven more in January, bringing employment up to 104 people. Between February and April, it plans to hire 10 more workers.
- Another business recently hired more than 10 Shoshone County workers. Northpoint Financial Group call center in Smelterville hired 15 employees for the center that opened in late February. By the end of the year, it plans to increase its workforce to about 100.

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ner of F and Lincoln Streets in Jerome. The primary optometrist, Dr. Richard Murray, has over 20 years of experience and is a Magic Valley native. Currently he practices in the Boise area in addition to his duties at Lifetime Optical. The center offers over 2,000 frames to choose from, including prescription sunglasses and clip-ons. Nearly all insurance plans are accepted. In addition to weekday hours, the center will be open on Sundays at least through its first six months.

Cassia and Minidoka Counties

- Bob Shepard of Baker City, Oregon, was named the new economic development director of the Mini-Cassia Economic Development Commission. Shepard has served as the economic devel-

opment director at Baker City and in other capacities related to economic development, including regional director for the Small Business Development Center at Boise State University. A review board of local business leaders and members of the Southern Idaho Economic Development Organization selected Shepard from a field of 40 applicants from around the country. He started his new position February 1.

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